

5 April 2011

PRESS NOTICE

AUCTION OF BRITISH GOVERNMENT STOCK

Auction Details

Auction Date	Wednesday, 13 April 2011
Issue and Settlement Date	Thursday, 14 April 2011
Bidding Convention	Fully paid Bid Price (see Note 1)
Accrued Interest payable with bid	£0.453039 per £100 nominal
Auction Close	10:30am London Time

Details of Security

Title	2% Treasury Gilt 2016
Amount (nominal) for auction	£5,000 million (fungible with previous issues) (see Note 4)
Nominal outstanding after auction	£21,343.6 million
Maturity Date	22 January 2016 at par
Interest Dates	22 January – 22 July
Parent ISIN Code	GB00B3QCG246
Parent SEDOL Code	B-3QC-G24
Strippable	No (see Note 2)
Interest Payable	Gross (see Note 3)
Next Interest Date	22 July 2011 (Standard Coupon)

“When Issued” Trading

under London Stock Exchange Rule 1530

Commences	3:30pm London Time: 5 April 2011
Closes	Close of business: 13 April 2011
“When issued” ISIN Code	GB00B63W1Q75
“When issued” SEDOL Code	B-63W-1Q7
TIDM (for trade reporting)	AUCB

Note 1: Bids may be made on either a competitive or a non-competitive basis. Details of the bidding procedures are set out in the prospectus and in the Information Memorandum. Gilt-edged Market Makers may bid by means of the Bloomberg Bond Auction System to the DMO not later than 10.30 am on Wednesday, 13 April 2011.

Note 2. The Gilt may not be stripped and reconstituted until so specified in a notice issued by the DMO.

Note 3: Holders may elect to have United Kingdom income tax deducted from interest payments, should they so wish, on application to the Registrar, Computershare Investor Services PLC.

Note 4: Subject to the provisions of the Information Memorandum, this auction will be eligible for the Post Auction Option Facility of an additional amount of the Gilt equivalent to 10% of the nominal amount of the Gilt allocated at the auction. Details of the Post Auction Option Facility procedures are set out in the Information Memorandum.

Documentation

Prospectus DMO : 5 April 2011	http://www.dmo.gov.uk/documentview.aspx?docName=/gilts/public/prospectus/prosp050411a.pdf
Information Memorandum relating to the Issue, Stripping and Reconstitution of British Government Stock DMO : May 2009	www.dmo.gov.uk/documentview.aspx?docname=publications/operationalrules/infmem220509.pdf
Formulae for Calculating Gilt Prices from Yields DMO : 16 March 2005	www.dmo.gov.uk/documentview.aspx?docname=/giltsmarket/formulae/yldeqns.pdf

Applications from Members of the Approved Group of Investors

Application forms from Approved Group members must be sent to Computershare Investor Services PLC, who are acting on behalf of the DMO, at the following address: PO Box 2411, The Pavilions, Bristol, BS99 6WX to arrive not later than 10.00 am on Wednesday, 13 April 2011. They may also be lodged by hand at the DMO, Eastcheap Court, 11 Philpot Lane, London, EC3M 8UD not later than 10.00 am on Wednesday, 13 April 2011.

The amount payable on application in the case of a non-competitive bid made by a member of the Approved Group is £99 per £100 nominal of the Gilt.

Remit 2011-12

Gilt sales of £169.0 billion (cash) are planned in 2011-12 and progress against the remit is summarised in the table below (which may not include the amount of gilts issued under the Post Auction Option Facility for the most recent auction, if any).

Gilt sales relative to remit plans: 5 April 2011 (£ millions)					
	Conventional Gilts			Index-linked gilts	Total
	Short	Medium	Long		
Auction sales to-date	0	3,462	0	0	3,462
PAOF proceeds to-date	0	0	0	0	0
Syndication sales to-date			0	0	0
Mini-tender sales to date			0	0	0
Total gilt sales to date	0	3,462	0	0	3,462
Auction sales required to meet plans (excludes PAOF proceeds)	58,000	31,438	21,300	18,600	129,338
Number of auctions remaining	12	9	10	15	46
Currently required average auction sizes	4,833	3,493	2,130	1,240	
Syndication sales required to meet plan			13,500	18,100	31,600
Mini-tender sales required to meet plan			2,900	1,700	4,600
Planned gilt sales at auctions	58,000	34,900	21,300	18,600	132,800
Number of auctions scheduled	12	10	10	15	47
Planned gilt sales by syndication			13,500	18,100	31,600
Planned sales by mini-tender			2,900	1,700	4,600
Total planned supplementary gilt sales			16,400	19,800	36,200
Total planned gilt sales	58,000	34,900	37,700	38,400	169,000

